

**FIRST AMENDMENT TO
PAYMENT IN LIEU OF TAXATION AGREEMENT
WELLNESS CENTER PROJECT**

THIS FIRST AMENDMENT TO PAYMENT IN LIEU OF TAXATION AGREEMENT, is effective as of April 13, 2020 ("Amendment") and amends that certain Payment in Lieu of Taxation Agreement, dated April 1, 2016 ("PILOT Agreement") by and between COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, having its principal offices at 548 Broadway, Monticello, New York 12701 ("Agency") and VERIA LIFESTYLE INC., a Delaware corporation having offices at 200 Middlesex Essex Turnpike, Suite No. 202, Iselin, New Jersey 08830 ("Company").

Unless otherwise defined herein, all capitalized terms shall have the meaning given them in the PILOT Agreement.

RECITALS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York ("State"), as amended, and Chapter 560 of the Laws of 1970 of the State, as amended and codified as Section 960 of the General Municipal Law (collectively, the "Act"), the Agency was created with the authority and power to own, lease and sell property as authorized by the Act; and

WHEREAS, the Company submitted an application dated August 25, 2015, a copy of which is on file with the Agency (the "Application"), requesting the Agency's assistance with respect to a certain Wellness Center project (the "Wellness Center Project") consisting of the: (i) construction, installation and equipping of: (a) a 131 room wellness center resort with amenities including, but not limited to diagnostic, holistic treatment, educational components and various exercise facilities ("Building"); (b) an indoor swimming pool; and (c) a museum celebrating natural wellness, nature cure and Ayurveda practices on currently vacant parcels comprising 391 acres and identified on the Town of Thompson ("Town") tax map as Section 9, Block 1, Lots 1.1, 1.2 and 7 ("Wellness Center Land") located along Anawana Lake Road in the County of Sullivan ("County"), State of New York; (ii) acquisition and installation thereon and therein of certain furniture, fixtures, machinery and equipment ("Equipment"); and (iii) construction of improvements to the Building, the Wellness Center Land and the Equipment (collectively, the Building, the Wellness Center Land and the Equipment are referred to as the "Facility"); and

WHEREAS, by resolution adopted on September 18, 2015 (the "Resolution"), the Agency authorized the Company to act as its agent for the purposes of undertaking the Wellness Center Project subject to, among other conditions, the Company entering into a Payment in Lieu of Taxation Agreement ("PILOT Agreement"); and

WHEREAS, the Company, on behalf of the Agency and as the Agency's agent, acquired, constructed, installed and equipped the Wellness Center Project materially in accordance with the plans and specifications presented to the Agency; and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; and

WHEREAS, the Agency and the Company deemed it necessary and proper to execute and deliver the PILOT Agreement making provision for payments in lieu of taxes by the Company for the benefit of the County of Sullivan, Town of Thompson and the Monticello Central School District ("School") (collectively, the County, the Town and the School are referred to as the "Taxing Jurisdictions"); and

WHEREAS, on or about the 1st day of April, 2016, the Agency and the Company executed a PILOT Agreement making provision for payments to the Taxing Jurisdictions; and

WHEREAS, Article III, Section 3(a), of the PILOT Agreement established employment goals for the Wellness Center Project pursuant to which the Company agreed to employ not less than one hundred fifty (150) full-time equivalent employees at the Facility; and

WHEREAS, the Company, by letter dated February 26, 2020, requested the Agency suspend employment goals for the Wellness Center Project indicating that despite an investment of close to TWO HUNDRED TWENTY-FIVE MILLION and 00/100 (\$225,000,000.00) Dollars, the Project has struggled to attract guests; and

WHEREAS, Agency Chairman Steingart appointed IDA members Paul Guenther ("Guenther") and Joseph Perrello ("Perrello") to gather information related to the Wellness Center Project and make a recommendation to the Board in response to the Company's request;

WHEREAS, after reviewing the Company's request and such other information as they deemed relevant, Guenther and Perrello recommended the Agency approve to suspend the Employment Goals; and

WHEREAS, by Resolution No. 21-20, the Agency authorized an amendment of the PILOT Agreement to suspend employment goals for the two employment years October 1, 2019 to September 30, 2020 and October 1, 2020 to September 30, 2021.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual terms, conditions, limitations and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed as follows:

1. The first sentence of Section 3, Employment Obligations, (a) Employment Goals, (ii) FT Employment Goals: is hereby deleted and the following shall be substituted in its place and stead:

“(ii) FT Employment Goals:

- (1) The Company agrees that an FT employment goal of 150 jobs shall be maintained for the period October 1, 2018 through September 30, 2019.
- (2) The Company shall not be subject to an FT employment goal for the periods October 1, 2019 through September 30, 2020 and October 1, 2020 through September 30, 2021.
- (3) The Company agrees that an FT employment goal of 150 jobs shall be maintained for the period October 1, 2021 through September 30, 2022 and each FT Employment Year thereafter.”

2. The first sentence of Section 3, Employment Obligations, (a) Employment Goals, (iii) Computation of PILOT Payment if FT Employment Goals Not Attained: is hereby deleted and the following shall be substituted in its place and stead:

“(iii) Computation of PILOT Payment if FT Employment Goals Not Attained:

- (1) There shall be no FT employment goals for the employment years October 1, 2019 through September 30, 2020 and October 1, 2020 through September 30, 2021. In the event the FT employment goals are not attained with respect to any other FT Employment Year during which employment goals are applicable, the next ensuing PILOT Payment shall be subject to adjustment.”

3. The Agency has established an Escrow Account to secure future PILOT Payments and payments of rent due the Agency (“Escrow Account”). In the event required payments are not made to the Escrow Account, the Agency may, following ten (10) days prior written notice to the Company, terminate Section 1 of this Amendment and restore the original employment goals as were established prior to this Amendment.

4. Except as herein amended, all other terms and conditions of the PILOT Agreement shall remain in full force and effect. If there shall be any conflict or inconsistency between the terms of this Amendment or the PILOT Agreement, the terms of this Amendment shall control.

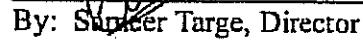
IN WITNESS WHEREOF, the parties hereto have executed this Amendment effective as of the date hereof.

COUNTY OF SULLIVAN INDUSTRIAL
DEVELOPMENT AGENCY



By: Edward T. Sykes, Chief Executive Officer

VERIA LIFESTYLE INC.



By: Suever Targe, Director